

**STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765**

EXAMINATION REPORT
OF
INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION

July 1, 2003 to June 30, 2004



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Julia L. Orzeske	07-01-03 to 06-30-06
Chairman of the Commission	Jeanine Gozdecki Robert Ewbank Robert Houston III	01-01-03 to 12-31-03 01-01-04 to 12-31-04 01-01-05 to 12-31-05



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2765

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION

We have examined the Schedule of Receipts, Disbursements, and Cash and Investment Balances of the Indiana Commission for Continuing Legal Education (Commission), for the period of July 1, 2003, to June 30, 2004. The Commission's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Receipts, Disbursements, and Cash and Investment Balances and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Commission for the year ended June 30, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

February 24, 2005

COMMISSION FOR CONTINUING LEGAL EDUCATION
SCHEDULE OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
As Of And For The Year Ended June 30, 2004

Cash and investments, July 1	\$ 713,399
Receipts:	
Annual Fees	246,512
Delinquencies	70,890
Reinstatements	12,470
Mediation	20,750
Independent Certifying Organization	2,500
Interest	5,146
Miscellaneous	<u>436</u>
Total receipts	<u>358,704</u>
Disbursements:	
Personal Services	288,025
Commission Per Diem	7,300
Commission and Director Expenses	22,073
Special Legal Educational Programs	16,609
Independent Certifying Organization	3,083
Applied Professionalism Course	15,800
Contract Services	8,047
Postage and Supplies	21,793
Utilities and Rent	46,268
Computer and Office Equipment	44,140
Temporary Employee	8,088
Miscellaneous	<u>3,778</u>
Total disbursements	<u>485,004</u>
Excess of receipts over disbursements	<u>(126,300)</u>
Cash and investments, June 30	<u>\$ 587,099</u>

The accompanying notes are an integral part of the schedule.

INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION
NOTES TO SCHEDULE

Note 1. Introduction

The Commission was established under the Indiana Supreme Court's Rules of Court Admission and Discipline Rule No. 29. The mission of the Commission is to enhance the quality of legal services and professionalism in Indiana through administering, developing, and regulating continuing legal education requirements, mediation training standards, and attorney specialization programs.

Note 2. Fund Accounting

The Commission uses fund accounting to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Deposits and Investments

Deposits, made in accordance with IC 5-13, with financial institutions in the State of Indiana at June 30, 2004, were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

Indiana Code 5-13-9 authorizes the Commission to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds.

Note 4. Pension Plan

Public Employees' Retirement Fund

Plan Description

The Commission contributes to the Indiana Public Employees' Retirement Fund (PERF), a defined benefit pension plan. PERF is an agent multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All full-time employees are eligible to participate in this defined benefit plan. State statutes (IC 5-10.2 and 5-10.3) govern, through the PERF Board, most requirements of the system, and gives the Indiana Commission for Continuing Legal Education authority to contribute to the plan. The PERF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at three percent of compensation, plus the interest credited to the member's account. The employer may elect to make the contributions on behalf of the member.

PERF administers the plan and issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Public Employees' Retirement Fund
Harrison Building, Room 800
143 West Market Street
Indianapolis, IN 46204
Ph. (317) 233-4162

Funding Policy and Annual Pension Cost

The contribution requirements of the plan members for PERF are established by the Board of Trustees of PERF.

INDIANA COMMISSION FOR CONTINUING LEGAL EDUCATION
EXIT CONFERENCE

The contents of this report were discussed on August 10, 2005, with Julia L. Orzeske, Executive Director. Our examination disclosed no material items that warrant comment at this time.